

Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 155300
ORIGIN EA-12

INFO OCT-01 NEA-11 ISO-00 AID-05 CIAE-00 COME-00 EB-08
FRB-03 INR-10 NSAE-00 ICA-11 TRSE-00 XMB-02
OPIC-03 SP-02 LAB-04 SIL-01 OMB-01 STR-07 SIG-03
H-01 /085 R

DRAFTED BY EA/EP:WRWARNE:STMCP
APPROVED BY EA:EHHEGINBOTHAM
COM/OED/MEPD:SCONGER (DRAFT)
COM/OIFI/IFD:RSHAW (DRAFT)
COM/OCA/DND:MSMITH (DRAFT)
EB/IFD/ODF:FNASH (DRAFT)
EB/OCA:RDAY (DRAFT)
TREASURY:DSHERK (DRAFT)
USADB:LEDMOND (SUBS.)
EA/EP:DSTEBBING (DRAFT)
-----128257 200125Z /73

R 192005Z JUN 78
FM SECSTATE WASHDC
TO AMEMBASSY SUVA
AMEMBASSY TOKYO
AMEMBASSY WELLINGTON
AMEMBASSY CANBERRA
AMEMBASSY BANGKOK
AMEMBASSY KUALA LUMPUR
AMEMBASSY RANGOON
AMEMBASSY SINGAPORE
AMEMBASSY VIENTIANE
AMEMBASSY MANILA
AMEMBASSY SEOUL
AMEMBASSY PORT MORESBY
AMEMBASSY TAIPEI
AMEMBASSY DACCA
AMEMBASSY ISLAMABAD
AMEMBASSY KABUL
AMEMBASSY COLOMBO
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 STATE 155300

AMEMBASSY NEW DELHI
AMEMBASSY KATHMANDU

LIMITED OFFICIAL USE STATE 155300

MANILA ALSO FOR USADB

E.O. 11652: N/A

TAGS: EGEN, ETRD, BEXP

SUBJT: US PROCUREMENT FROM ASIAN DEVELOPMENT BANK (ADB)

REF: MANILA 6977 (NOTAL)

1. WASHINGTON AGENCIES ARE DELIBERATING ON WAYS TO IMPROVE US EXPORT PERFORMANCE BY EXPLOITING COMMERCIAL OPPORTUNITIES OFFERED BY PROJECTS FINANCED BY THE ADB, IBRD, IDA AND JAPANESE UNTIED AID. COMBINED, THESE SOURCES HAVE INCREASED MARKEDLY AND REPRESENT VALUES WHICH ARE OF MAJOR IMPORTANCE AS COMMERCIAL OPPORTUNITIES.

2. THIS MESSAGE FOCUSES ON USG CONCERN OVER THE RELATIVELY LOW PROCUREMENT RATE OF US SALES FROM ADB-FINANCED PROJECTS. THE ADB MADE NEARLY 900 MILLION DOLLARS IN LOAN COMMITMENTS LAST YEAR BRINGING ITS TOTAL LENDING TO OVER 4.2 BILLION DOLLARS. ITS LENDING RATE IS FORECASTED TO CONTINUE TO RISE RAPIDLY. THE US, HOWEVER, IS CURRENTLY OBTAINING ONLY 7.4 PERCENT OF THE CUMMULATIVE PROCUREMENT FROM THESE PROJECTS COMPARED TO GENERALLY MUCH HIGHER RATES FROM THE WORLD BANK GROUP AND FROM PROCUREMENT FROM PUBLIC TENDERS AND OTHER THIRD-COUNTRY PURCHASES OF NATIONAL LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 STATE 155300

GOVERNMENTS IN THE ADB REGION. THIS HAS CREATED PUBLIC CONCERN OVER WHETHER THE US IS OBTAINING ITS FAIR SHARE OF BANK PROCUREMENT. SEVERAL CONGRESSMEN HAVE DISCUSSED THE LOW ADB RATE IN HIRC HEARINGS AND HAVE PROPOSED TO RAISE THIS ON THE FLOOR OF THE HOUSE. SHOULD THIS PROBLEM PERSIST IT COULD UNDERCUT SUPPORT FOR US CONTRIBUTIONS TO THE BANK.

3. WE HAVE NOT ACCURATELY IDENTIFIED THE REASONS FOR THIS LOW RATE. THE OVERVALUATION OF THE DOLLAR VIS-A-VIS THE YEN AND DM COULD HAVE BEEN A MAJOR FACTOR, BUT THE SHARP ADJUSTMENT IN THESE EXCHANGE RATES SHOULD HELP CHANGE THIS SITUATION. ONE OBSERVER BELIEVES THAT SUCCESSFUL COMPETITORS MAY SPOT ADB PROCUREMENT OPPORTUNITIES VERY EARLY IN THE PROJECT PREPARATION PHASE AND HAVE PROPOSED A PACKAGED OFFER BEFORE AMERICAN SUPPLIERS HAVE HAD A CHANCE TO BID. ONE US MULTINATIONAL CONSTRUCTION FIRM REPORTS THAT ADB-FINANCED PROJECTS TEND TO BE TOO SMALL TO WARRANT A COMMITMENT OF ITS TIME AND RESOURCES. WE ARE LOOKING INTO THESE AND OTHER COMMENTS.

4. SEVERAL OTHER POSSIBLE FACTORS HAVE BEEN IDENTIFIED:

(1) US FIRMS ARE NOT BIDDING ON ADB-FINANCED PROJECTS BECAUSE OF A LACK OF INTEREST, AND INADEQUATE AND LATE INFORMATION ON TENDERS; (2) OTHER THIRD COUNTRY SUPPLIERS, PARTICULARLY THE JAPANESE, ARE MORE AGGRESSIVE IN OBTAINING ADB BUSINESS THAN US FIRMS; AND (3) US FIRMS, PARTICULARLY MEDIUM AND SMALL FIRMS, ARE NOT CAPABLE OF BIDDING ON THESE PROJECTS BECAUSE OF THEIR COMPLEXITY, THE COSTS INVOLVED AND THE LACK OF LOCAL REPRESENTATIVES IN DEVELOPING MEMBER COUNTRIES. WE WOULD WELCOME EMBASSY COMMENTS AND ANALYSIS, AND ENCOURAGE YOUR RAISING THIS MATTER WITH THE LOCAL BUSINESS REPRESENTATIVES, ESPECIALLY AMCHAM REPRESENTATIVES. FOR YOUR INFORMATION, WE ARE SENDING TO ALL ADDRESSEES BY POUCH THE FOLLOWING: (A) ADB STATISTICS OF PROCUREMENT; AND (B) A CURRENT ANALYSIS OF LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 04 STATE 155300

THE PROBLEM.

5. THE USG HAS NOT YET DECIDED WHAT CORRECTIVE MEASURES TO TAKE. WE FIRST WANT TO DISCUSS POSSIBLE ISSUES AND ACTIONS WITH ALL PARTIES CONCERNED AND TO RECEIVE YOUR COMMENTS AND SUGGESTIONS. WE ARE CONSIDERING THE FOLLOWING POSSIBLE ACTIONS: (A) IMPROVING FOREIGN SERVICE POSTS' ABILITY TO IDENTIFY FUTURE PROJECTS BEFORE THEY ARE SUBMITTED TO THE ADB BOARD FOR CONSIDERATION; (B) ESTABLISHING A MORE SYSTEMATIC ALERT SYSTEM THROUGH WHICH EMBASSIES WOULD BE INFORMED AS EARLY AS POSSIBLE OF PROPOSED PROJECTS; USADB MANILA IS PREPARED TO REGULARLY CABLE INFORMATION ON NEW ADB PROJECTS AND ON PROCUREMENT ONCE PROJECT PROPOSALS ARE PREPARED AND CIRCULATED TO THE BOARD;

EMBASSIES WOULD BE EXPECTED TO FOLLOW UP WITH APPROPRIATE HOST GOVERNMENT OFFICIALS TO OBTAIN SPECIFICS REGARDING PROCUREMENT OPPORTUNITIES; (C) STIMULATING US BUSINESS INTEREST IN THE ADB; THIS MAY REQUIRE IMPROVED COMMERCE COMMUNICATIONS, BRIEFING US FIRMS ON THE ADB AND ITS PROCUREMENT OPPORTUNITIES AND PERHAPS MORE ACTIVE ADB INVOLVEMENT IN EXPLAINING ITS ACTIVITIES IN THE US; (D) STRENGTHENING OUR EARLY ALERT SYSTEM BY ASKING ALL EMBASSIES TO GIVE PRIORITY TO ADB-PROJECT PROCUREMENT AND FOLLOWING UP WITH US FIRMS WHICH MIGHT BE ABLE TO BID; (E) EXPLORING WAYS OF INVOLVING MEDIUM AND SMALL-SIZE US FIRMS SUCH AS UNDERTAKING A PILOT EFFORT TO ENCOURAGE US TRADING COMPANIES IN ASIA TO BID ON APPROPRIATE PROJECTS BY REPRESENTING A NUMBER OF US SUPPLIERS; (F) CREATING A SPECIAL COMMERCIAL OFFICER POSITION WITH REGIONAL RESPONSIBILITY FOR IFI PROCUREMENT; AND (G) ESTABLISHING REGULAR CONSULTATIONS AT USADB MANILA FOR ALL ECONOMIC-COMMERCIAL OFFICERS IN COUNTRIES ELIGIBLE FOR ADB FINANCING

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 05 STATE 155300

TO FAMILIARIZE THESE OFFICERS WITH ADB OPERATIONS AND PROCUREMENT PROCEDURES AS WELL AS THE STATUS OF PROJECTS IN THE COUNTRY TO WHICH THEY ARE ASSIGNED.

6. US FIRMS HAVE RECEIVED 32.2 MILLION DOLLARS IN ADB-FINANCED CONSULTANCY SERVICES AS OF MARCH 31, 1977, NEARLY TWICE AS MUCH AS JAPAN, 16.8 MILLION DOLLARS, (FRG 13 MILLION DOLLARS AND UK 10 MILLION DOLLARS). THESE FIGURES INDICATE THAT US CONSULTING ENGINEERS ARE DISCOVERING THESE SERVICE PROJECTS AT AN EARLY STAGE AND ARE COMPETITIVE. IT IS THE LATER PHASES OF EQUIPMENT, MATERIAL, AND CONSTRUCTION SERVICES WHERE US FIRMS ARE PERFORMING POORLY. THE FOLLOWING ARE THE CUMMULATIVE PROCUREMENT RECORDS OF KEY ADB-PROJECT SUPPLIERS AS OF MARCH 31, 1978: (1) US, 149 MILLION DOLLARS OF 7.4 PERCENT; (2) JAPAN, 776 MILLION DOLLARS, 38 PERCENT; (3) FRG, 175 MILLION DOLLARS, 8.7 PERCENT; (4) UK, 133 MILLION DOLLARS, 6.6 PERCENT. CONSTRUCTION CONTRACTS ARE WITHIN THE CAPABILITIES OF LOWER COST KOREAN, ROC, AND OTHER ASIAN FIRMS. EQUIPMENT AND BUILDING MATERIALS, HOWEVER, ARE AREAS IN WHICH US FIRMS SHOULD BE MOST COMPETITIVE, ESPECIALLY BECAUSE US ENGINEERING FIRMS ARE HELPING TO DESIGN THE SPECIFICATIONS FOR THIS PROCUREMENT.

7. WE ARE CONSIDERING A DETAILED INVESTIGATION OF SELECTED ADB-FINANCED PROJECTS WHICH HAVE BEEN COMPLETED TO REVIEW PROCUREMENT RECORDS. THIS STUDY WOULD HELP DETERMINE REASONS WHY AMERICAN FIRMS ARE NOT RECEIVING MORE ADB AND PERHAPS OTHER IFI FINANCED PROCUREMENT CONTRACTS. DETAILED PROCUREMENT RECORDS MAY BE AVAILABLE

IN RECIPIENT COUNTRIES. ADDRESSEES MAY WISH TO COMMENT ON THE FEASIBILITY OF SUCH A STUDY AND AREAS ON WHICH THE STUDY SHOULD CONCENTRATE. FOR EXAMPLE, WOULD US EQUIPMENT SUPPLIERS DO A BETTER JOB OF BIDDING JOINTLY WITH CONSTRUCTION FIRMS WITHIN THE REGION ON TURNKEY AND OTHER

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 06 STATE 155300

CONSOLIDATED PROJECTS.

8. FOR NEW DELHI: SINCE INDIA IS NOT A RECIPIENT OF ADB LOANS, EMBASSY, OF COURSE, WOULD NOT BE INVOLVED IN EARLY ALERT REPORTING ON ADB PROCUREMENT. WE WOULD, NEVERTHELESS, WELCOME COMMENTS ON IFI-PROCUREMENT ISSUES. NEXT TO KOREA, INDIA HAS THE BEST ADB PROCUREMENT RECORD OF ANY DEVELOPING

MEMBER COUNTRY, 2.6 PERCENT.

9. FOR CANBERRA, TOKYO, WELLINGTON: WE WOULD APPRECIATE ANY COMMENTS EMBASSY AND US BUSINESS REPRESENTATIVES MIGHT HAVE CONCERNING A CONCERTED EFFORT TO IMPROVE OUR PROCUREMENT RECORD IN THE IFIS. HOST COUNTRY PRACTICES, PARTICULARLY IN JAPAN, MAY OFFER SOME IDEAS THAT WE SHOULD CONSIDER. VANCE

LIMITED OFFICIAL USE

NNN

LIMITED OFFICIAL USE

PAGE 01 STATE 155300
ORIGIN EA-12

INFO OCT-01 ISO-00 /013 R

66011

DRAFTED BY: EA/EP:DHSTEBBING

APPROVED BY: EA/EP:WRWARNE

-----013937 220111Z /62

R 211855Z JUN 78

FM SECSTATE WASHDC

TO AMCONSUL HONG KONG

AMEMBASSY JAKARTA

LIMITED OFFICIAL USE STATE 155300

FOLLOWING REPEAT STATE 155300, ACTION SUVA TOKYO WELLINGTON
CANBERRA BANGKOK KUALA LUMPUR RANGOON SINGAPORE VIENTIANE MANILA
SEOUL PORT MORESBY TAIPEI DACCA ISLAMABAD KABUL COLO MBO
NEW DELHI KATHMANDU 19 JUNE:

QUOTE LIMITED OFFICIAL USE STATE 155300

MANILA ALSO FOR USADB

E.O. 11652: N/A

TAGS: EGEN, ETRD, BEXP

SUBJT: US PROCUREMENT FROM ASIAN DEVELOPMENT BANK (ADB)

REF: MANILA 6977 (NOTAL)

1. WASHINGTON AGENCIES ARE DELIBERATING ON WAYS TO IMPROVE

US EXPORT PERFORMANCE BY EXPLOITING COMMERCIAL OPPORTUNITIES
OFFERED BY PROJECTS FINANCED BY THE ADB, IBRD, IDA AND
JAPANESE UNTIED AID. COMBINED, THESE SOURCES HAVE INCREASED
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 STATE 155300

MARKEDLY AND REPRESENT VALUES WHICH ARE OF MAJOR IMPORTANCE
AS COMMERCIAL OPPORTUNITIES.

2. THIS MESSAGE FOCUSES ON USG CONCERN OVER THE RELATIVE-
LY LOW PROCUREMENT RATE OF US SALES FROM ADB-FINANCED
PROJECTS. THE ADB MADE NEARLY 900 MILLION DOLLARS IN LOAN
COMMITMENTS LAST YEAR BRINGING ITS TOTAL LENDING TO OVER
4.2 BILLION DOLLARS. ITS LENDING RATE IS FORECASTED TO
CONTINUE TO RISE RAPIDLY. THE US, HOWEVER, IS CURRENTLY
OBTAINING ONLY 7.4 PERCENT OF THE CUMMULATIVE PROCUREMENT
FROM THESE PROJECTS COMPARED TO GENERALLY MUCH HIGHER RATES
FROM THE WORLD BANK GROUP AND FROM PROCUREMENT FROM PUBLIC
TENDERS AND OTHER THIRD-COUNTRY PURCHASES OF NATIONAL
GOVERNMENTS IN THE ADB REGION. THIS HAS CREATED PUBLIC
CONCERN OVER WHETHER THE US IS OBTAINING ITS FAIR SHARE
OF BANK PROCUREMENT. SEVERAL CONGRESSMEN HAVE DISCUSSED
THE LOW ADB RATE IN HIRC HEARINGS AND HAVE PROPOSED TO
RAISE THIS ON THE FLOOR OF THE HOUSE. SHOULD THIS
PROBLEM PERSIST IT COULD UNDERCUT SUPPORT FOR US
CONTRIBUTIONS TO THE BANK.

3. WE HAVE NOT ACCURATELY IDENTIFIED THE REASONS FOR THIS
LOW RATE. THE OVERVALUATION OF THE DOLLAR VIS-A-VIS THE
YEN AND DM COULD HAVE BEEN A MAJOR FACTOR, BUT THE SHARP
ADJUSTMENT IN THESE EXCHANGE RATES SHOULD HELP CHANGE THIS
SITUATION. ONE OBSERVER BELIEVES THAT SUCCESSFUL
COMPETITORS MAY SPOT ADB PROCUREMENT OPPORTUNITIES VERY
EARLY IN THE PROJECT PREPARATION PHASE AND HAVE PROPOSED
A PACKAGED OFFER BEFORE AMERICAN SUPPLIERS HAVE HAD A
CHANCE TO BID. ONE US MULTINATIONAL CONSTRUCTION FIRM
REPORTS THAT ADB-FINANCED PROJECTS TEND TO BE TOO SMALL
TO WARRANT A COMMITMENT OF ITS TIME AND RESOURCES. WE
ARE LOOKING INTO THESE AND OTHER COMMENTS.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 STATE 155300

4. SEVERAL OTHER POSSIBLE FACTORS HAVE BEEN IDENTIFIED:
(1) US FIRMS ARE NOT BIDDING ON ADB-FINANCED PROJECTS
BECAUSE OF A LACK OF INTEREST, AND INADEQUATE AND LATE
INFORMATION ON TENDERS; (2) OTHER THIRD COUNTRY SUPPLIERS,
PARTICULARLY THE JAPANESE, ARE MORE AGGRESSIVE IN OBTAIN-

ING ADB BUSINESS THAN US FIRMS; AND (3) US FIRMS, PARTICULARLY MEDIUM AND SMALL FIRMS, ARE NOT CAPABLE OF BIDDING ON THESE PROJECTS BECAUSE OF THEIR COMPLEXITY, THE COSTS INVOLVED AND THE LACK OF LOCAL REPRESENTATIVES IN DEVELOPING MEMBER COUNTRIES. WE WOULD WELCOME EMBASSY COMMENTS AND ANALYSIS, AND ENCOURAGE YOUR RAISING THIS MATTER WITH THE LOCAL BUSINESS REPRESENTATIVES, ESPECIALLY AMCHAM REPRESENTATIVES. FOR YOUR INFORMATION, WE ARE SENDING TO ALL ADDRESSEES BY POUCH THE FOLLOWING: (A) ADB STATISTICS OF PROCUREMENT; AND (B) A CURRENT ANALYSIS OF THE PROBLEM.

5. THE USG HAS NOT YET DECIDED WHAT CORRECTIVE MEASURES TO TAKE. WE FIRST WANT TO DISCUSS POSSIBLE ISSUES AND ACTIONS WITH ALL PARTIES CONCERNED AND TO RECEIVE YOUR COMMENTS AND SUGGESTIONS. WE ARE CONSIDERING THE FOLLOWING POSSIBLE ACTIONS: (A) IMPROVING FOREIGN SERVICE POSTS' ABILITY TO IDENTIFY FUTURE PROJECTS BEFORE THEY ARE SUBMITTED TO THE ADB BOARD FOR CONSIDERATION; (B) ESTABLISHING A MORE SYSTEMATIC ALERT SYSTEM THROUGH WHICH EMBASSIES WOULD BE INFORMED AS EARLY AS POSSIBLE OF PROPOSED PROJECTS; USADB MANILA IS PREPARED TO REGULARLY CABLE INFORMATION ON NEW ADB PROJECTS AND ON PROCUREMENT ONCE PROJECT PROPOSALS ARE PREPARED AND CIRCULATED TO THE BOARD;

EMBASSIES WOULD BE EXPECTED TO FOLLOW UP WITH APPROPRIATE HOST GOVERNMENT OFFICIALS TO OBTAIN SPECIFICS REGARDING PROCUREMENT OPPORTUNITIES; (C) STIMULATING US BUSINESS INTEREST IN THE ADB; THIS MAY REQUIRE IMPROVED COMMERCE COMMUNICATIONS, BRIEFING US FIRMS ON THE ADB AND ITS LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 04 STATE 155300

PROCUREMENT OPPORTUNITIES AND PERHAPS MORE ACTIVE ADB INVOLVEMENT IN EXPLAINING ITS ACTIVITIES IN THE US; (D) STRENGTHENING OUR EARLY ALERT SYSTEM BY ASKING ALL EMBASSIES TO GIVE PRIORITY TO ADB-PROJECT PROCUREMENT AND FOLLOWING UP WITH US FIRMS WHICH MIGHT BE ABLE TO BID; (E) EXPLORING WAYS OF INVOLVING MEDIUM AND SMALL-SIZE US FIRMS SUCH AS UNDERTAKING A PILOT EFFORT TO ENCOURAGE US TRADING COMPANIES IN ASIA TO BID ON APPROPRIATE PROJECTS BY REPRESENTING A NUMBER OF US SUPPLIERS; (F) CREATING A SPECIAL COMMERCIAL OFFICER POSITION WITH REGIONAL RESPONSIBILITY FOR IFI PROCUREMENT; AND (G) ESTABLISHING REGULAR CONSULTATIONS AT USADB MANILA FOR ALL ECONOMIC-COMMERCIAL OFFICERS IN COUNTRIES ELIGIBLE FOR ADB FINANCING TO FAMILIARIZE THESE OFFICERS WITH ADB OPERATIONS AND PROCUREMENT PROCEDURES AS WELL AS THE STATUS OF PROJECTS IN THE COUNTRY TO WHICH THEY ARE ASSIGNED.

6. US FIRMS HAVE RECEIVED 32.2 MILLION DOLLARS IN ADB-

FINANCED CONSULTANCY SERVICES AS OF MARCH 31, 1977, NEARLY TWICE AS MUCH AS JAPAN, 16.8 MILLION DOLLARS, (FRG 13 MILLION DOLLARS AND UK 10 MILLION DOLLARS). THESE FIGURES INDICATE THAT US CONSULTING ENGINEERS ARE DISCOVERING THESE SERVICE PROJECTS AT AN EARLY STAGE AND ARE COMPETITIVE. IT IS THE LATER PHASES OF EQUIPMENT, MATERIAL, AND CONSTRUCTION SERVICES WHERE US FIRMS ARE PERFORMING POORLY. THE FOLLOWING ARE THE CUMMULATIVE PROCUREMENT RECORDS OF KEY ADB-PROJECT SUPPLIERS AS OF MARCH 31, 1978: (1) US, 149 MILLION DOLLARS OF 7.4 PERCENT; (2) JAPAN, 776 MILLION DOLLARS, 38 PERCENT; (3) FRG, 175 MILLION DOLLARS, 8.7 PERCENT; (4) UK, 133 MILLION DOLLARS, 6.6 PERCENT. CONSTRUCTION CONTRACTS ARE WITHIN THE CAPABILITIES OF LOWER COST KOREAN, ROC, AND OTHER ASIAN FIRMS. EQUIPMENT AND BUILDING MATERIALS, HOWEVER, ARE LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 05 STATE 155300

AREAS IN WHICH US FIRMS SHOULD BE MOST COMPETITIVE, ESPECIALLY BECAUSE US ENGINEERING FIRMS ARE HELPING TO DESIGN THE SPECIFICATIONS FOR THIS PROCUREMENT.

7. WE ARE CONSIDERING A DETAILED INVESTIGATION OF SELECTED ADB-FINANCED PROJECTS WHICH HAVE BEEN COMPLETED TO REVIEW PROCUREMENT RECORDS. THIS STUDY WOULD HELP DETERMINE REASONS WHY AMERICAN FIRMS ARE NOT RECEIVING MORE ADB AND PERHAPS OTHER IFI FINANCED PROCUREMENT CONTRACTS. DETAILED PROCUREMENT RECORDS MAY BE AVAILABLE

IN RECIPIENT COUNTRIES. ADDRESSEES MAY WISH TO COMMENT ON THE FEASIBILITY OF SUCH A STUDY AND AREAS ON WHICH THE STUDY SHOULD CONCENTRATE. FOR EXAMPLE, WOULD US EQUIPMENT SUPPLIERS DO A BETTER JOB OF BIDDING JOINTLY WITH CONSTRUCTION FIRMS WITHIN THE REGION ON TURNKEY AND OTHER CONSOLIDATED PROJECTS.

8. FOR NEW DELHI: SINCE INDIA IS NOT A RECIPIENT OF ADB LOANS, EMBASSY, OF COURSE, WOULD NOT BE INVOLVED IN EARLY ALERT REPORTING ON ADB PROCUREMENT. WE WOULD, NEVERTHELESS, WELCOME COMMENTS ON IFI-PROCUREMENT ISSUES. NEXT TO KOREA, INDIA HAS THE BEST ADB PROCUREMENT RECORD OF ANY DEVELOPING MEMBER COUNTRY, 2.6 PERCENT.

9. FOR CANBERRA, TOKYO, WELLINGTON: WE WOULD APPRECIATE ANY COMMENTS EMBASSY AND US BUSINESS REPRESENTATIVES MIGHT HAVE CONCERNING A CONCERTED EFFORT TO IMPROVE OUR PROCUREMENT RECORD IN THE IFIS. HOST COUNTRY PRACTICES, PARTICULARLY IN JAPAN, MAY OFFER SOME IDEAS THAT WE SHOULD CONSIDER. VANCE UNQUOTE. VANCE

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PROCUREMENT, DEVELOPMENT BANKS, BANKS
Control Number: n/a
Copy: SINGLE
Draft Date: 19 jun 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978STATE155300
Document Source: CORE
Document Unique ID: 00
Drafter: WRWARNE:STMCP
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780255-1052
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780643/aaaablpm.tel
Line Count: 437
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: c5ec4086-c288-dd11-92da-001cc4696bcc
Office: ORIGIN EA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 8
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 78 MANILA 6977
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 29 apr 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2297268
Secure: OPEN
Status: NATIVE
Subject: T: US PROCUREMENT FROM ASIAN DEVELOPMENT BANK (ADB)
TAGS: EGEN, ETRD, BEXP
To: SUVA TOKYO MULTIPLE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/c5ec4086-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014